DEPARTMENT OF DEFENSE BLOGGERS ROUNDTABLE WITH REAR ADMIRAL GARY T. BLORE, ASSISTANT COMMANDANT FOR ACQUISITION, UNITED STATES COAST GUARD SUBJECT: UPDATE ON THE COAST GUARD'S ACQUISTION PROGRAMS, INCLUDING THE NATIONAL SECURITY CUTTER PROJECT AND SENTINEL-CLASS PATROL BOAT PROJECT TIME: 2:00 P.M. EST DATE: FRIDAY, FEBRUARY 6, 2009

(Note: Please refer to www.dod.mil for more information.)

ADM. BLORE: Okay. Jeff (sic), this is Admiral Gary Blore. And what I'd like to do, if that works for everybody, is I just have some very brief opening remarks and then we'll open it up for questions for most of the 60 minutes that we have together.

But again, this is Rear Admiral Gary Blore. I'm the assistant commandant for acquisition for the United States Coast Guard. And I'd like to welcome everybody and thank you for your time in participating. I'd also like to thank our colleagues in the Department of Defense for organizing this, just one example of the many partnerships we have, particularly with the Naval Services, but certainly with Department of Defense writ large. And I'm sure that many of the people listening probably have some prepared questions, but let me just hit six highlights going on in acquisition in the Coast Guard right now.

We continue to take deliveries on Response Boat Medium, which is our small boat. Eventually we'll deliver 180 of those. We've just started that program, having delivered our sixth. It's a 45-foot high-speed vessel, which will become probably the face of the Coast Guard in the future because it will be at every station around our coastline.

It continues to go through operational test and evaluation. We have them located around the United States so we can get both northern climates and Caribbean climates and take it through its operational test and evaluation. It's been doing quite well.

And many of you who saw photos of the ditching of the U.S. Airways flight into the Hudson River may have recognized Response Boat-Medium responding to that. We had earlier delivered one to Sector New York, which was able to participate in that rescue.

We also continued deliveries of our Ocean Sentry aircraft. That's a CASA aircraft built in Spain. In fact, the sixth delivery is currently in progress and the aircraft -- Coast Guard number 2306 -- just landed in Brazil a few minutes go in route from Spain to the United States. And that will eventually arrive in Elizabeth City, North Carolina, for its final outfitting. And we currently have 11 of those on contract.

We don't speak a lot about foreign military sales. It is something we do here -- sometimes referred to as international acquisition. We have a fairly small niche program in the Coast Guard. Three years ago it was about $10 million annually. It's gotten a lot bigger. It's about $50 million annually now for us, so it's grown about five-fold. It's allowed us to defray about $25 million in disposal costs as Coast Guard assets that are no longer in service in the United States are moved to some of our foreign partners. And more often than not, now, it's new boat sales through many of the U.S. manufacturers such as SAFE Boat that we're selling overseas.

And many of you may guess that a lot of that activity was in South America, and it has been traditionally. But we actually have a bigger presence now in selling boats to Africa, Eastern Europe and Western Asia, which has been where most of the growth has been. In fact, our 200th delivery just took place to the Iraqi navy, and that was delivered just recently.

Hopefully you're aware that we have a Sentinel Class patrol boat that we're very excited about, our fast response cutter being built by Bollinger Shipyards on a Damen design. And that project has just commenced and is under way; should have more details on that over about the next 30 to 45 days as we do a(n) integrated master schedule.

And the last two items: Rescue 21, which is our maritime 9-1-1 equivalent, is now watching over about 55 to 60 percent of the United States coastline, as far as continental United States, Guam and Hawaii. We just accepted Sector Charleston. Sector North Carolina is next up at the end of this month, and Sector Boston should be accepted at the end of May.

And last -- and I'm sure we'll have some questions about our national security cutter program -- Coast Guard cutter Bertholf is very busy right now. That's our first national security cutter that's been delivered, with a home port in Alameda. It's currently down off of San Diego going through weapons training, and we'll probably do a short patrol, and then it'll be en route back to its home port in Alameda. We'll do some final acceptance checks en route back to its home port, and then it enters a maintenance availability period where a lot of things'll be done, including instrument and (TEMPEST ?) testing.

And also, on that program in general, if we have any questions, we have experienced some cost growth; I'd be pleased to answer any questions you might have about that. And we also recently got a study done by the Carderock Division of the Naval Sea Systems Command commenting on fatigue life issues that we had asked them to look at in that program for us.

So that, quickly, is six highlights from our 22 projects. And with that, I'll turn it back over to Jeff (sic) and your questions.

CHARLES "JACK" HOLT (chief, New Media Operations, Office of the Secretary of Defense for Public Affairs): All right. Thank you very much.

And Jim, you were first on line. Why don't you get us started?

Q Okay. Hi, Admiral. Jim Dolbow with the Unofficial Coast Guard Blog. I've asked this question years ago, when I was on Capitol Hill, of Admiral Stillman. How much money could you save if the Deepwater program was accelerated? Because it's been stretched out over 25 years. If you'd done it over 10 to 12 years -- and if you could, which programs could be accelerated today?

ADM. BLORE: Okay. I -- and I'm sorry, the first part of your question was dropped, but I think what you asked was could the program be accelerated and how much more would that cost if we did that. Was that the question? Q How much would it save.

ADM. BLORE: Okay. Yeah, this is going to be, you know, in very gross terms -- this goes back to some studies that were done in 2003, 2004, so to get anything, you know, reasonably accurate, we would need to take a look at that. But I think -- and this is largely based on, I think, some work that RAND and the Center for Naval Analysis did. And they estimated, out of the $24 billion program, that about 10 percent, or $2-1/2 billion, could be saved by accelerating the program. And again, that is a very rough figure that was used back at that time. And a lot of that has to do with, you know, economic order quantities and, you know, maximizing production rates and that sort of thing.

The programs that would have been accelerated -- and I think has been our position that if the Congress asked us to accelerate acquisition -- would be those programs that are running and successful, so Response Boat-Medium, our patrol boat contract, you know, those lines -- the maritime patrol aircraft -- those lines that are already producing.

There are some risks to accelerating programs that aren't in production. There is wisdom to the schedule that acquisition uses so that we make sure all the checks and balances are in place before the product line starts. Once the product line starts then you -- very low risk to accelerate up to the maximum that the production line can produce.

Q Could the National Security Cutter be accelerated?

ADM. BLORE: It could, probably less so than some of the other projects, just because there's limited capacity at the shipyard in Pascagoula, but it could be accelerated somewhat.

Q Thank you, Admiral.

MR. HOLT: Okay, Chuck.

Q Good afternoon, Admiral. Two quick questions, the first being with regard to the National Security Cutter. Do I understand that that ship series is intended to replace these -- the ships like the Dallas? Do I have --

ADM. BLORE: That's correct.

Q Do I have that correct?

ADM. BLORE: That's correct, sir. It replaces what we call the "secretary class," sometimes referred to as the "Hamilton class," which is our 12 378-foot high endurance cutters.

Q Okay. Now when do those ships start phasing out? When are you anticipating that they'll be retired, then?

ADM. BLORE: Well, I would anticipate they'd be retired when they're replaced, and that's something that we're sensitive to in the sense that, I think, if you go back in time to, like, 2002, 2003, and look at the original Deepwater program, they had deliveries of the National Security Cutter and

decommissionings of the 378s happening almost the same year, within a year of each other.

What you'll see in our current acquisition programs is we recognize that there's got to be a lot more overlap than that. As you may be aware, it takes a while to outfit the ship, you know, run it through its final shakedowns, do all the final testing. You know, for the Bertholf it's about two years before we bring it up to full operational status.

So you'll see it in our future budget submissions to the Congress. But we'll layer the decommissionings, you know, after the ships that are going to replace those cutters have been in line and in service.

Q My last question would be, the stimulus package had an icebreaker included originally. And I'm not real clear on which icebreaker program that would have been. Can you speak to that?

ADM. BLORE: Okay. The -- first off, we have three large classes of icebreakers. And I think that may create some of the confusion. We have small icebreaking tugs and what we call 140-foot icebreaking hulls that are primarily on the Great Lakes.

We have the Mackinaw, which is a very unique ship, on the Great Lakes, which also has an icebreaking hull. And then we have the Polar class icebreakers that are out in Seattle, one of which is operational and one of which is not. And of course, the Coast Guard Cutter Healy, which is also Polar class.

I believe in the Senate version of the stimulus package, they had $30 million or so to continue a rehabilitation of one of the Polar class. I think it was the Polar Star. And they also had some money in there, I think, about $50 million or so, to start an acquisition process for a replacement Polar icebreaker. And that's really all the information I have at this point.

Q Okay. So the Antarctic icebreaker wasn't the one involved.

ADM. BLORE: No. I think that is the one involved. I'm saying Polar class. But that's really the Antarctic-capable icebreaker. And they provided some money to start retrofit of that, certainly not enough to complete it but enough to continue some projects we have going on, and money to start the very preliminary analysis that's necessary if you're going to build a new icebreaker.

Icebreakers, as you might know, can be very expensive. They're very complex platforms. We would estimate a new icebreaker capable of breaking ice, down into Antarctica, is going to be between 750 million to about $950 million.

And if you said right now, Admiral Blore, you know, here's the money, build one as fast as you can, it's about a 10-year process by the time you go through, you know, preliminary design, design review, final design, you know, prefabrication, et cetera. MR. HOLT: All right.

Raymond.

Q Hi, Admiral. This is Raymond Pritchett from Information Dissemination.

I wanted to ask about the Sentinel class, which -- I noticed you put a little blurb up on the commandant's blog that highlighted the GAO summary. And I was one of the people who read through the whole summary, and it seems to me that this validates the Sentinel class development process as a bright star in terms of shipbuilding in the United States right now for our military services.

So can you kind of walk through -- you identify the requirement, you set the requirements for the ship, you -- I mean, the whole process up through the point where you -- this is how we envision it being utilized off the coast of the United States, because there were some interesting things about it. It's one of those programs where it looks like it's an evolution of an existing program. Can you kind of summarize that in a generic sense for me?

ADM. BLORE: Sure, and we have several openings in acquisition, because you sound pretty knowledgeable. So keep us in mind if you'd like a federal job.

Yeah, let me quickly review what we tried to incorporate in the Sentinel class patrol boat. That was a very important project to us. As may have been a little bit inferred in Raymond's question, we've gone through about two years of what we'd call acquisition reform. We had some acquisition projects in our past that did not run smoothly. We've learned a lot of lessons for those, and we've incorporated those lessons into a new reorganized acquisition organization.

And the Sentinel class really does represent a star for us, because it really started with the new acquisition organization going up through contract awards. So, you know, here is the types of things that are in place for the Sentinel.

In this particular case, it's a parent craft. And by parent craft, we mean we're modifying an existing proven design, and when the Coast Guard feel that can be a very successful acquisition strategy and help control costs, as long as the final version that you're going to build is fairly close to what the parent was.

The second thing is, we're having it classed by the American Bureau of Shipping. So we're going to have independent assess theirs -- assessors in the yard with Bollinger reviewing what they're doing, so that it can be classed. We've required in the contract that the designer, which is Damen, is physically there for any design changes and approves any design changes as part of the contract.

We have government personnel that we've established in a project resident office that will be onsite at Bollinger inspecting -- checking quality control, quality assurance; and overseeing the work. It's a fixed-price contract, which we prefer because that sets up good expectations between the manufacturer and us on what's expected. And those are -- that's kind of in a nutshell.

Those are the kinds of things that any new acquisition that we do -- other than the parent craft itself because that applies to some things; may not apply to the others -- but those elements of independent review, onsite government inspection -- I neglected to mention the role of the United States Navy, because we've partnered very closely with the United States Navy on this to help us with cost estimating, review of designs, that sort of thing. And of course, within the Coast Guard, what we refer to as our own technical authorities: our engineering community, our naval engineers and naval

architects, and our C4ISR engineers, and our human resources engineers, in essence, that look at training and the ergonomics for safety of design.

So all those folks are incorporated in this in, I think, a fairly efficient manner, if you look at the time line. But we believe all those elements that I just spoke about represent critical cornerstones of how you can do an acquisition project well.

Q What maturity percentage would you mark the Sentinel class at? I mean, 50 percent, 75 percent? In terms of the design maturity.

ADM. BLORE: The design maturity is very mature. I'm not going to give you a number. We did rate it for technological maturity and production maturity.

The modifications we're making to it are not substantial. There's a stern ramp that's being installed which is based off a stern ramp that's already been done on a Damen smaller-class boat that the Coast Guard uses. The parent craft itself operates with stern ramps in other parts of the world, and the parent craft itself has been built by several other countries.

So as far as the production maturity, it's about as mature as you can get. We are making a stern ramp modification. I think our propulsion system is slightly different, although it's pretty much the standard MTU twin-diesel propulsion system. So I would say it's very production mature. Q And you're doing six pricings, so I assume you have a rough estimate on the average cost per unit?

ADM. BLORE: Right. We will. I'd rather wait a little bit, because we're doing that right now, as far as our integrated master schedule and cost analysis with the manufacturer. The first element of the contract that was awarded was $88 million, and that's for the first production. But of course, there's a lot of non-recurring costs with the first haul. And it's the government's option -- government option as to whether we want to go forward with the options in the contract.

I'm sure we will.

But if you ask the same question in about six, seven weeks I can give you a lot better figure. By then we'll be further along in the design.

Q All right. Thank you.

MR. HOLT: Okay. And Mandy.

Q Hi. Thank you, Admiral, for being here. I just wanted to ask you some questions about some allegations that we've heard about how Lockheed Martin was refusing to perform C4ISR templates work that the Coast thought they originally supposed to perform, and that requirements have changed and that Lockheed was paid more money to do the work and just kind of the arrangements that were made on that project.

ADM. BLORE: Yeah. I don't have any knowledge of Lockheed refusing to do any work. So, again, I don't know what your source of information is. That hasn't been something that I've experienced.

The question about who pays for it may get back to the nature of the contract. This is a cost -- what we call a cost-plus contract in Naval shipbuilding. It's not an unusual form of contract for a unique design, you know, first or second in class of a ship. In a cost-plus contract, if you require rework on the part of the manufacturer, the government does pay for basically labor and materials. It doesn't pay profit or a fee on that, because it's rework. But in a cost-plus contract, you do pay for other work that you ask to be redone.

But we haven't had any issues with Lockheed not being anything but cooperative with us in the contract.

Q Sorry. I guess the other thing is based on your experience with Deepwater, is the Coast Guard just very wary of ever using a lead system integrator again? And not -- is that really the lesson that we should see from, like, how you guys have managed the sentinel project?

ADM. BLORE: I think commercial lead system integrators have their place in acquisition processes. I don't -- I do not believe that I professionally would get involved in a lead system integrator concept as large as the Deepwater program was, because I think it starts becoming unwieldy when you have that many different assets. I also think that the Coast Guard appreciates now much more the value of the technical authorities and our requirements developers and our acquisition staff, that we were perhaps much more capable than we considered ourselves were. And I think that's being demonstrated in the projects that we're executing directly now.

But I wouldn't rule out that lead system integrators can be used. Our Rescue 21 project, which is largely a C4ISR project for our maritime 9-1-1, is in essence a lead system integrator contract, but it is a singularly focused contract-specific function.

So I guess my feelings are that, you know, lead system integrator or assistant commercial system integrator under certain applications is still appropriate, but not, maybe, in the broad applications that we had with Deepwater, especially since originally Deepwater was performance-based, which just adds another element of uncertainty.

MR. HOLT: All right. And we -- sounded like we had a few more join us. Did somebody else join us who hasn't had a chance yet?

Q Sure. John Conrad from gCaptain.

MR. HOLT: All right, John.

Q Yes, Admiral. We -- you've been keeping us very busy this week -- this past month. First (item ?) that really was of interest to us was in last month's acquisition newsletter: the use of UAVs for maritime safety. Our readers are mainly deep-sea commercial, and we did a little more investigation into this and found out not only is it a great application for search and rescue, but there also seems to be a lot of money spent by the Coast Guard to try to find long-range AIS -- target acquisition. We found out from Maritime Information Systems, who's working with AeroMech Engineering to provide UAVs for long-range AIS identification. What is your plan? Are you building a UAV system from the ground up, or is it going to be utilizing these existing commercial enterprises and -- for your own uses?

ADM. BLORE: We are not looking to build a system from the ground up. I tend to be a little bit more conservative about acquisition. We had a questioner earlier that was asking about production maturity of our Sentinel patrol-boat class, and I kind of apply the same things to vertical takeoff, unmanned aerial systems, and fixed-wing unmanned aerial systems.

The Coast Guard is a small agency. It does not have a large research-and-development budget. And in my personal opinion, we don't have a role to play in doing that kind of very developmental work that's necessary to build a UAS platform.

Now, the good news is, there's lots of other people that do have the research and development funds and have built some excellent UAS platforms, many of which are technologically quite mature and production quite mature. And we just did a strategic paper for our department.

And the way we envision this happening is that we would have a mid-altitude unmanned aerial system. And there's a number of those in the fixed-wing category that, you know, fly between, you know, 10 and 30,000 feet and can go lower that would do more of our long-range surveillance. And we would certainly hook those up with AIS or automatic identification system sensors and feed our common operating picture.

And then we would use a tactical UAS off the backs of our larger cutters. The National Security Cutter was built with the space and weight reserved for a vertical takeoff UAS system.

We continue to work closely with our partners, in the Navy, on their Fire Scout program. Their Fire Scout program looks like it would be very applicable to us if it had an integrated radar in the platform. The Navy has agreed to take on the integrated radar this next fiscal year, or not the integrated radar but a radar, and integrate it.

So we watch that with great interest. And we work quite closely with PMA-266, which is the Fire Scout's squadron. And we also work, within our department, quite closely with Customs and Border Protection and their Predator program, since that is an example of a mid-altitude UAS. And there's a lot of lessons learned, from Customs and Border Protection, that they're sharing with us.

So I think just like we have in the manned fleet -- where you have fixed-wing aircraft that kind of have longer range, but specialized for specific purposes, and you have helicopters that have shorter range but, you know, are able to hold station over a target, and do things that fixed-wing aircraft can't -- that that's our solution in the Unmanned Aerial System community.

We're going to have longer-range assets that will be flying missions similar to surveillance aircraft and will have those tactical assets, at the commanding officer of the cutter's command and control, to go out and look at contacts, et cetera. Q Interesting, and I enjoyed your comments yesterday on the piracy. We've been heavily involved in that issue.

On the second line of action that you talked about, you say, supporting and contributing to a regional-based counterpiracy coordination center that alerts shipping to pirate activity, gathers and analyzes information, dispatches resources.

And on the third one, you talk about holding pirates accountable. In talking with this UAV manufacturer -- (inaudible) -- they say that they already have a business plan lined up, for the Gulf of Aden, that consists of a command center and providing a buffer zone, below the MPSA, that identifies and visualizes the pirates entering up into the MPSA.

They also take -- plan on taking pictures of these pirates and using that for law enforcement and holding these pirates accountable down the line, as evidence.

On top of that, there are a number of security providers. We get e-mails every single week from someone with a new solution. And they all have the same problem. They say this is, one, an immediate problem. And the time for us to get our equipment in front of the eyes of the maritime community and accepted, you know, as -- a regular sales lead is a year, and this is an immediate need. But second is the ship owners are confused about what -- which of this equipment is good and which of these solutions are going to be useful. And I'm afraid that really useful solutions are being left aside while -- in all the confusion.

What do you guys see the Coast Guard's role and are there -- there seems like no certifying body for security teams or equipment manufacturers. What are your goals for getting the three teams working together, the military, the commercial shipping and these unique service providers?

ADM. BLORE: I think this is going to be longest question and the shortest answer. (Laughter.)

Q That's fine.

ADM. BLORE: I don't work a lot in the areas you're speaking of. Certainly, from an acquisition perspective, there are, as you mentioned, a number of products out there that are pretty technically and production mature. We had a question early about lead system integrators, and one of the things I do like about government's direct role in acquisition is you don't get a layer between you and the manufacturers that do have these good ideas. And we do meet with many of them to see what they have.

But the actual concept of operations, where they would be used and their requirements is done by a different part of the Coast Guard. Now, I'm reasonably familiar with it because, as the acquirers, we'll make sure that we acquire aircraft that have the cameras and the EOIR balls and the maritime search radar and that sort of thing.

So, yes, the UAVs, UAS are capable, as you described their potential use in anti-piracy. I just apologize; I don't have any specific information tactically on how they would be used or on the other relationships you asked about. Q Sure. Does the Coast Guard have any ability to do short term and really get assets over to the area, maybe stuff that are successful in domestic -- (inaudible) -- quickly? Or is it going to be a long-term problem and a long-term solution?

ADM. BLORE: Well, again, from an acquisition perspective, this is going to be a longer-term solution. There are vehicles available for various agencies in the government to quickly deploy equipment. And we might look to our partners in the Department of Defense to assist with that. But from the projects I run, we run a much more deliberate process than that, which, you

know, frankly probably does involve years, as you go through the necessary checks and balances. But then you bring an asset out into production for quite some time.

Q Okay. I appreciate it, and thank you for your time.

ADM. BLORE: You're welcome, sir.

MR. HOLT: All right. Anyone else? (Pause.) Okay. Any follow- up questions?

Q I just have -- Mandy Smithberger again, from the Project on Government Oversight. I just wanted to check and see when you guys expect to finish instrument TEMPEST testing and why the date has moved so many times, about the year since the first commitments?

ADM. BLORE: Well, the date's moved because we weren't ready for instrument testing, and that's a good question. You know, we did do some rework of our C4ISR system. As I've stated on many occasions, we will not operate our classified equipment unless it's TEMPEST certified, and we take that very seriously. And we adopted kind of a check, fix, check philosophy. This is a new vessel. It's a new design. It's the first of a ship and class. So there were some design changes that we made as we did final assembly.

We have completed now all the visual checks. We've done everything we can to correct any of the discrepancies that had been identified, and we are ready for the instrument checking. It is later -- you're absolutely right -- than we thought it would be, but we're getting ready for it now. And that's about a three-week to three-and- a-half-week test, very extensive, with the instrumentation.

We have SPAWARS, which is the naval unit that's responsible for TEMPEST recommendations for the United States Navy. We have them involved to do the testing. We've also hired a third-party contractor that works closely with SPAWARS to help us with some of the initial checks.

And that three to three-and-a-half weeks primarily occur during the late-March-to-April time frame, is when that will be complete. And then hopefully we'll come out of that with some good TEMPEST results.

Q Thank you.

MR. HOLT: Okay. And --

Q Jack, this is Jim Dolbow.

MR. HOLT: Okay, Jim.

Q I got a question about -- why are eight national-security cutters replacing a dozen Secretary-class cutters? Why not, like, a one-for-one basis?

ADM. BLORE: Okay, I'll answer your question.

And Jack, I think I called you Jeff once before, which I apologize for.

MR. HOLT: Not a problem.

ADM. BLORE: So I'll get it right next time.

The question is why do we have eight national-security cutters replacing 12 high-endurance cutters. When the Deepwater project was originally formulated in the late '90s, they did use cost as a variable parameter to organize the overall system that was going to replace the Coast Guard assets at the time. And they were allowed to make tradeoffs. So, for example, if, you know, you were going to get more capabilities in aviation that were going to replace some capabilities on the surface side, they were allowed to do those sorts of mixes as the three consortiums that competed for that made their final proposals. So one is there was a tradeoff within the overall mix within the Coast Guard.

The second thing is, the national-security cutter, if you take each individual national-security cutter, it provides about 50 more days away from home port than the 378 does. It is also more capable for each day it's under way than the 378. And I think if you do the hours, you're correct, it doesn't quite equal, you know, 12 times -- what is it for a 378? -- 130, I think, or somewhere around there, versus eight times 170 days. But it was their attempt to optimize the system -- "they" being Integrated Coast Guard Systems at the time. And again, given the cost parameters, given the overall system mix, the determination was made that eight fairly expensive -- in comparison to the other assets -- national-security cutters was the right mix. There's also a very robust off-shore patrol cutter, of which we would be building 25 new ones that would be coming in right after the national-security cutters. So I guess the other thing I would invite is, when you think of the mix of your replacing 12 with 8, remember that we're also coming in with 25 new off-shore patrol cutters.

Q Thank you, Admiral.

MR. HOLT: All right.

Q Jack?

MR. HOLT: Yes.

Q Yeah. A quick question for the Admiral. The United States' position for a number of years about the Northwest Passage has been that it is a -- open water and free for anyone to navigate. What is the Coast Guard able to do -- are you procuring vessels based on maintaining freedom of passage in the Northwest Passage at all? Or is this more a Navy issue?

ADM. BLORE: I -- that's a great question, and I wish I had a detailed answer. But I'll tell you everything I know about it. Again, I don't work the policy side of the Coast Guard.

I'm just going to speak to the things I know about in acquisition.

But you're absolutely right, I think our commandant, Admiral Thad Allen, has been quoted as saying words to the effect of, you know, he's agnostic as to why it's happening, but there's certainly water where ice has been before in the Arctic. And there's certainly many more navigable waters up there now throughout the year than there have been before.

The types of vessels that could go up there are certainly polar- class ice breakers. And earlier during this session we talked about the fact that in some of the legislation before Congress now, there's been some interest in

rebuilding and rejuvenating that polar class, so that's one thing that could potentially happen.

Before the Bush administration left office, they did sign a new presidential directive on the Arctic, and that presidential directive talks about national sovereignty issues and how the Coast Guard needs to view the Arctic -- not the Coast Guard, I'm sorry, the nation -- and would also infer our need to be able to deploy up there with assets.

And the last thing, and this is very premature, but as we've looked at the Offshore Patrol Cutter Class, which again is that next class of 25 vessels, we've certainly started considering some of the trade-offs of, you know, should we have some with, for example, an ice-reinforced bow, not really an icebreaker in that sense, but with the ability to operate more in light ice conditions.

So the policies that are being made by our national government are just now starting to influence us as we look at the types of assets we would deploy over the next decade. And I think that's the extent of my knowledge on the Arctic.

Q All right. Thank you, sir.

MR. HOLT: All right, sir.

Q John Conrad with gCaptain again. What I've really liked about your comments yesterday was they're kind of back to basics, the importance of collaboration, but also, you know, a centralized location run by people. What are your plans for coordinating the vast number of military and commercial assets in the area? And also, are there plans to track the tendencies and the tactics of the pirates? I think the Coast Guard in their law enforcement has a lot of experience with this. Are you bringing any of that to the Gulf of Aden?

ADM. BLORE: That is not an area I work in. I am very flattered, because I think you're confusing me with a different admiral. We did have Admiral Baumgartner that testified before Congress recently, and I think anti-piracy issues were discussed there.

And we certainly have had some commandant entries in the blogosphere. But I haven't made any comments about the Gulf of Aden, although I do know where it is.

Q (Chuckles.) Okay, my apologies. I'm getting -- got involved with this in the last minute here, so that's my fault.

ADM. BLORE: No, that -- not a problem.

MR. HOLT: All right.

Q Admiral, this is Raymond Christian (sp). I have a question. You've talked a little bit about the offshore patrol cutter. Have you guys set up any sort of requirements for that vessel yet, or is that still over the horizon and just in development phase? I mean, I'm just thinking, have you thought about what size and some sort of ship requirements? I haven't seen anything. I was just wondering if there was anything that's been discussed.

ADM. BLORE: Yes.

Q (Laughs.) Good answer, I guess. So there's nothing public, though?

ADM. BLORE: Actually, some of it's public, sir. And what we're doing is, we had an earlier question about the Sentinel patrol boat and how we did that acquisition. And we're actually following that pattern right now with the offshore patrol cutter.

So last year, I think it was in the September-October time frame, we published a request for information. That's in the public domain. And that basically asked for worldwide designs and vessels that were already in service that kind of met the general requirements of an offshore patrol cutter class -- you know, between like, you know, 250 and 400 feet, and with, you know, rough capabilities that we were looking for.

And we got a bunch of responses in on that. We hired an independent third party, just like we did with the Sentinel class patrol boat, to review the input we got and make sure that -- you know, because it's everything from 80-page detailed reports to three- page marketing glossies on a particular manufacturer. So we had the independent kind of do some analysis to make sure that the data we had was accurate. At the same time, we've engaged our engineering forces under our technical authority to start doing some preliminary point designs and to also start doing trade-off analysis, which we also have a research and development center under my jurisdiction working on. So for example, you know, if you have an offshore patrol cutter of a certain size, and it does 25 knots, and you want to drive it 3 knots faster, what kind of trade-offs are going to take place?

How is that going to affect length? How is that going to affect shaft horsepower? How is that going to affect cost?

So all that analysis is being pulled together now. We're starting to do the briefings within the Coast Guard. Our hope was that by the end of March we'd have a much better feeling for what's available worldwide, and then we're matching that against a parallel effort which is also taking place where we've designed what we call our preliminary operational requirements document. And that's a fairly broad-based document, but it starts narrowing the focus down on what are the types of capabilities that would be attractive to us in an off-shore patrol cutter.

And as you do this analysis, as you kind of look at what the world has available versus what the Coast Guard needs, then you have to make some hard choices based on -- again, using cost as an independent variable of what, you know, the nation can afford for the Coast Guard to operate.

So that's where we are. I think you'll probably see something more in the public domain after April, May, hopefully coming out with a request for proposal this summer. And that request for proposal, of course, would have all the details of the requirements that we're looking for.

Q And has there been any influence to look at the littoral combat ship platforms?

ADM. BLORE: Absolutely, yeah. We're looking at both parent craft concepts like we're doing with the patrol boat and original design, like we did with the National Security Cutter, and there's pros and cons of both, as you may be aware of. And we're balancing those pros and cons.

And certainly, the littoral combat ship could be looked at as a parent craft and whether it would be, you know, wise for us to use that platform would really depend on how many modifications would need to be made to meet our requirements.

Q Thank you, Admiral.

MR. HOLT: All right, sir. And --

Q I have a quick question. Just with Amber -- we're really excited about a long-range information tracking. Obviously, your guys' interest is more on the security side. But just this availability of information could be a real marine safety boon for Amber. But it's going to take a while for this equipment to be done on ships. How successful is your satellite-based AIS and some of the other long-range tracking been?

MR. HOLT: The satellite-based AIS that we've been doing right now is really more on the research and development side. As you know, we have paid for some sensors to be put on commercial satellites.

The jury is kind of still out on how accurate it is and how much information it can provide. We're still doing the analysis to see how the correlation works with, you know, terrestrial antennas we have that are picking up the same signal. But I think there's, you know, high hope that, you know, satellites -- if you chose to use that technology -- have the capability to cover, you know, vast swathes of water, you know, much more so than you can with terrestrial antennas.

You know, the other thing we're looking at, not so much to have within the Coast Guard but to maybe lease or receive data inputs, from our sister services, are things like, you know, Global Hawk and some of the really high-altitude, sophisticated UAVs. They're not satellites but they're starting to get up at those sorts of altitudes that with the right antenna, you know, they're getting a pretty broad swath of ocean.

I know we did an evaluation with the Air Force, a couple years ago, through our R&D center, where they flew a Global Hawk basically out of Western Canada. And it covered the Pacific Ocean in one flight. So that gives you, you know, the kind of territory it can cover.

But you know, I'd say, again the jury is still out on satellites. We're looking at them and seeing if that's really a cost-effective way to do it. We'll continue to work with our sister services and watch their high-altitude UAS programs. And we'll continue to work directly on terrestrial systems.

Q Incredible stuff. Thank you, Admiral.

MR. HOLT: All right, sir. Well, Admiral, do you have any closing thoughts for us, final comments?

ADM. BLORE: Well, first, this is the second time we've done this. And again I do appreciate, Jack, you helping us to put this together. You know, I think, this is where we're going, in a lot of cases, with information dissemination.

One of the tenets of our new acquisition process is, we try to be as transparent as possible. You know, we want the public, and however the public chooses to be informed, sometimes through many of the individuals that are on the phone, to be aware of what we're doing in the Coast Guard. We think we're doing the right things but certainly welcome constructive criticism.

So I just, I think, I would just close by saying, we've got a lot of things going on in Acquisition. We think we've reformed our processes and are doing things very well now. We have learned a lot of lessons. And thank you for the opportunity.

MR. HOLT: All right. Thank you, sir. That's Rear Admiral Gary Blore. He is the U.S. Coast Guard's Acquisitions officer. Thank you for joining us today. And we hope to be speaking with you again soon.

ADM. BLORE: Thank you.

END.